

DRINKING WATER BOARD
BOARD PACKET FOR CONSTRUCTION LOAN EXTENSION
PRESENTED TO THE DRINKING WATER BOARD

APPLICANT'S REQUEST:

West Erda Improvement District (WEID) is requesting an extension of the funding, authorized by the Drinking Water Board on November 7, 2014, to upgrade their existing distribution system and connect to a neighboring system to bring their system into compliance.

STAFF COMMENTS:

On November 7, 2014, the Drinking Water Board authorized WEID a loan of \$1,478,600 at 0% interest for 30 years with \$739,600 in principal forgiveness. On January 9, 2015, the Drinking Water Board authorized an increase of \$144,000 to the original funding to cover the increased costs associated with upgrading the 12-inch diameter transmission line to a 16-inch line, connecting their system with Erda Acres. With this increase, the Board amended the original authorization to total a loan of \$1,622,600 at 0% interest for 30 years with \$811,600 in principle forgiveness.

Originally, WEID presented to the Board the concept of connecting with Erda Acres. Erda Acres is not participating in the project at this time. The project has recently been modified to involve a regionalized water system, connecting WEID with Stansbury Park Improvement District. This option, of connecting with Stansbury Park, was investigated and listed as a potential option in a recent Water Master Plan funded by the Board in 2014.

FINANCIAL ASSISTANCE COMMITTEE RECOMMENDATION:

The Drinking Water Board extend the authorization of a loan of \$1,622,600 at 0% interest for 30 years with \$811,600 in principle forgiveness to WEID.